

June 21, 2012

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BY E-FILING

232480

Ms. Cynthia A. Brown
Chief, Office of Administration
Section of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

ENTERED
Office of Proceedings
June 21, 2012
Part of
Public Record

**RE: STB Docket No. AB-1081X, San Pedro
Railroad Operating Company, LLC—Abandonment
Exemption-In Cochise County, AZ,**

Dear Ms. Brown:

On behalf of San Pedro Railroad Operating Company (SPROC), I am writing in connection with the above-captioned abandonment proceeding.

On July 26, 2006, the Board originally served a decision permitting the abandonment exemption granted on February 3, 2006, to become effective subject to certain conditions. By letter dated January 29, 2007, SPROC advised the Board that it had consummated this abandonment between (1) milepost 1084.0 and milepost 1097.3 at Paul Spur, (2) milepost 1097.3 at Paul Spur and milepost 1106.5 near Douglas, and (3) milepost 1085.0 at Bisbee Jct., and milepost 1090.6 at Bisbee, all in the State of Arizona. However, on May 11, 2007, SPROC asked the Board for permission to postpone until July 26, 2008, the deadline for consummating the abandonment of the remaining portion of the line covered by the above-captioned exemption. The Board duly granted that request.

Thereafter, SPROC repeatedly sought and received Board permission to postpone the date for consummation because it and the owner of a portion of the underlying right-of-way, the Union Pacific Railroad Company (“UP”), are

Strasburger & Price, LLP

Ms. Cheryl A. Brown

June 21, 2012

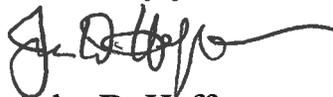
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evaluating the strategic use of this rail corridor and wish to preserve their options for protecting the integrity of the corridor. Most recently, SPROC and UP have agreed on terms for UP to repurchase that segment of the right of way between milepost 1040.15 and milepost 1084.0 near Bisbee Jct., AZ. Counsel for UP has informed the undersigned that he is preparing and anticipates filing very shortly a verified notice of exemption for UP's purchase of that segment. He has authorized me to say that UP supports this request for an extension of the consummation date.

Inasmuch as the deadline for SPROC's consummation of this abandonment now expires on July 26, 2012 and SPROC wants to insure the integrity of the right of way to facilitate UP's purchase, SPROC requests a **60 day** extension of the abandonment consummation date until September 26, 2012.

Please contact me if you have any questions regarding this request.

Sincerely yours,



John D. Heffner

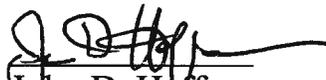
cc: All Parties
Mr. David Parkinson
Mr. Scott Parkinson
Mack H. Shumate, Esq. (by email)

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**Docket No. AB-1081X
SAN PEDRO RAILROAD OPERATING COMPANY, LLC
—ABANDONMENT EXEMPTION—
IN COCHISE COUNTY, AZ**

CERTIFICATE OF SERVICE

I hereby certify that on June 22, 2012, I mailed a copy of the San Pedro Railroad Operating Company, LLC's June 21, 2012, letter to the Surface Transportation Board seeking a 60 day extension to the consummation date in the above-captioned abandonment proceeding to all parties of record by first class United States Mail.


John D. Heffner